IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS

IN RE:)	
)	
MARK ALLEN TRIBLE,)	**Case No. 00-13359**
)	**Chapter 7**
)	
Debtors.)	
_____)	
)	
J. MICHAEL MORRIS, Trustee,)	
)	
Plaintiff,)	
)	
v.)	**Adversary No. 00-5357**
)	
CITIFINANCIAL; and)	
MAKR A. TRIBLE,)	
)	
)	
Defendants.)	
_____)	

JUDGMENT ON DECISION

This is an adversary proceeding pursuant to 11 U.S.C. § 544 and § 551 brought by the trustee to avoid Citifinancial's lien in debtor's mobile home, to preserve the avoided lien for the benefit of the estate, and to determine the amount of the avoided lien. Citifinancial claims a lien on debtor's real estate and a mobile home situated thereon by virtue of a real estate mortgage. The trustee contends that Citifinancial's lien may be avoided because Citifinancial's lien in the mobile home is unperfected where its lien is not indicated on the mobile home's certificate of title. The trustee asserts no interest in the real estate and Citifinancial has properly perfected its lien on the real estate.

After careful consideration of the parties' submissions and as more fully explained in the

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Court's Corrected Memorandum Opinion and its Supplemental Memorandum Opinion issued this day, the Court enters judgment as follows:

A. That in August of 2000 the exclusive method to perfect a security interest in a mobile home was by notice of security interest to the Division of Vehicles of the Department of Revenue and notation of the lien or security interest on the certificate of title for the mobile home as set forth in KAN. STAT. ANN. § 84-9-302(3)(d) (1999 Supp.) and KAN. STAT. ANN § 58-4204 (1994);

B. That Citifinancial failed to properly perfect its security interest in debtor's mobile home, that Citifinancial's lien is unperfected, and that Citifinancial's lien is therefore avoided by the trustee;

C. That the avoided lien in the mobile home is automatically preserved for the benefit of the estate under 11 U.S.C. § 551;

D. That under *In re Rubia*, 257 B.R. 324 (10th Cir. BAP 2001), *aff'd* 23 Fed. Appx. 968 (10th Cir. 2001), the amount of the avoided lien is limited to $36,460.72 – the amount of Citifinancial's claim on the date of the bankruptcy petition;

E. That the value of the mobile home comprises 76% of the value of the whole property, and therefore the amount of the avoided lien as established by the appraisal evidence and in accordance with 11 U.S.C. § 506(a) and *Associates Commercial Corp. v. Rash*, 520 U.S. 953 (1997), is fixed at $27,710.15;

F. That Citifinancial is ordered to turnover to the trustee 76% of any payments received on its claim after the date of the debtor's bankruptcy petition and the trustee shall thereafter collect 76% of the scheduled payments made by debtor until the trustee has collected the principal sum of $27,710.15; and

G. That Citifinancial's claim is properly secured by the real estate mortgage on debtor's real property and the value of Citifinancial's mortgage shall be reduced by the amount of the avoided lien so that its claim is secured by the real property in the amount of $8,750.57, plus interest accruing thereon until paid.

IT IS SO ORDERED.

Dated this 12th day of March, 2003.

_____
ROBERT E. NUGENT
CHIEF BANKRUPTCY JUDGE
UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS

CERTIFICATE OF SERVICE

The undersigned certifies that copies of the **Judgment on Decision** were deposited in the United States mail, postage prepaid on this 12th day of March, 2003, to the following:

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_____
Janet Swonger,
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